



NORTH CAROLINA MOUNTAIN TOWNS OF CASHIERS,
CHEROKEE, DILLSBORO AND SYLVIA

MINUTES

Jackson County Tourism Development Authority

Board of Directors Meeting

March 28, 2018 (Wednesday), 1:00 p.m.

Cordelia Camp Building, Room 143, WCU

Cullowhee, NC 28723

Call to order/Roll Call

The meeting was called to order at 1:01 p.m.

- **Members in attendance:** Executive Director Nick Breedlove; Chairman Vick Patel; Vice Chairman Kathy Korb; Secretary Laura Bowers; Board Members Megan Orr, Ann Self, Bob Williams, Stephanie Edwards, Ron Mau, Julie Spiro, Tom Garcia (arriving late), and Finance Officer Darlene Fox
- **Members absent:** Dale Collins
- **Others in attendance:** Heather Baker, Attorney; Rich Price, Jackson County Economic Development Director; and Debbie Coffey, Minutes Clerk

Approval of Agenda

MOTION: Kathy Korb moved to approve the agenda; Megan Orr seconded. Motion carried.

Public Comment – none

Recognize Vice Chair and Secretary

Chairman Patel recognized the vice-chair and secretary, who had no comments at this time.

Review and approval of February Minutes

The board reviewed the minutes of the February 21, 2018, TDA meeting, with Mr. Breedlove stating that the minutes should be amended to read that Mark Jones seconded the motion to approve the January minutes.

MOTION: Megan Orr moved to approve the February minutes with the recommended amendment. Kathy Korb seconded. Motion carried.

Review and approval of February Financial Report

The February Financial Report was presented by Darlene Fox. Highlights include February Occupancy Tax collections of \$36,750.91, penalties of \$460.00, and YTD collection totals of \$740,278.62, which is 68.54% of budget. Collections were up 26.75% from the same period in 2017, and up 4.92% for the fiscal year.

February cash balance was \$232,219.50, and investments totaled \$400,000.00. February expenses were \$72,426.44, and YTD total expenses were \$687,880.35. Encumbrances of \$10,704.10 make a combine total of \$698,584.45, equaling 60.49% of the budget. 95 Units reported rentals for January. Ms. Fox reported being on track to meet the budget by the end of the fiscal year.

MOTION: Megan Orr moved to approve the financial report as presented. Kathy Korb seconded. Motion carried.

Budget Amendment

Mr. Breedlove outlined the proposed budget amendment, accounting for \$10,000.00 in advertising sales revenue to be received to increase printing expenditures by \$10,000.00.

MOTION: *Megan Orr moved to approve the budget amendment. Kathy Korb seconded. Motion carried.*

Appoint Tom Garcia to Vacancy on Grants Committee

Chairman Patel stated that Tom Garcia has agreed to serve as Chairman of the Grants Committee, serving with committee members Laura Bowers, Stephanie Edwards, and Julie Spiro.

Appointment to Gareth Daley's Seat Vacancy

Andrew Harlfinger of Bluegreen Vacations has agreed to fill the seat vacated by Gareth Daley. Bluegreen has 28 units at the Trillium, with plans to expand to 68 units by 2019. Mr. Harlfinger is a former Western Carolina University student with eight years' experience in the time share industry.

MOTION: *Megan Orr moved to recommend Andrew Harlfinger to fill the vacancy. Laura Bowers seconded. Motion carried.*

Introduction of New Board Member

Chairman Patel welcomed Tom Garcia to the board to fill the position held by Mark Jones. Mr. Garcia has worked for Benchmark Hospitalities International for six years, with thirty-five years in the hospitality industry. Mr. Garcia will be overseeing the High Hampton Resort renovations. He previously served as president for the Hotel Association of Dallas, having served on their Board of Directors for two years. During this time he helped with hosting the Super Bowl in Dallas.

Suggested Rules and Procedures and Conflict of Interest Policy

Ann Self, on behalf of the Governance Committee, recommended the Board adopt the *Suggested Rules of Procedure for Small Local Government Boards*, Second Edition by A. Fleming Bell, II, issued by the UNC School of Government with the following amendments and with the understanding that the Board may deviate from rules if it chooses to do so. Amendments include:

- Rule One. Regular Meetings. It is the committee recommendation that each year at the beginning of the calendar year (January) the board approve the meeting schedule for year. Subsequent to approval the schedule will be posted and only changes need to be noticed.
- Rule Two. Special, Emergency, and Recessed [or Adjourned] Meetings. (a) Special Meetings. The committee would add email as an approved means for communicating and publicizing a special meeting. This would be an addition to posting the notice on the JCTDA office bulletin board and mail or courier delivery to board members and the media.
- Rule Nine. Second Not Required. The committee recommends that all Motions require a second.
- Rule 13. Voting by Written Ballot. The committee recommends eliminating this rule and the option to vote by written ballot. The rationale is that a written ballot creates confusion and discredits board transparency.
- Rule 20. Special Rules of Procedure. The committee recommends: (a) Remote Participation. Members are strongly encouraged to be present at all meetings. Occasionally, a member will need to participate remotely and can do so as long as the Director and Chair are notified 48 hours in advance to allow for appropriate arrangements. In emergency situations, the Board may meet remotely so long as there is a way for the public to attend the meeting.

MOTION: *Laura Bowers seconded the motion of the Governance Committee to approve the rules and procedures amendment as presented. Motion carried.*

Ms. Self and Ms. Baker outlined the recommended Conflict of Interest Policy, stating that it protects the board, allowing members to recuse themselves in certain circumstances. Ms. Self stated that the policy provides complete transparency and used grant applications as an example of possible conflicts. Members of the board who would directly benefit as recipient of a grant should recuse themselves from voting on that grant. Ms. Baker recommend all board members, including ex-officio members, sign a Conflict of Interest Policy.

MOTION: *Megan Orr seconded the motion of the Governance Committee to adopt the Conflict of Interest Policy. Motion carried.*

Process for Delinquent Occupancy Taxes presentation

Ms. Fox outlined the following process for collecting delinquent occupancy taxes:

- Taxes are due on the 20th of the month following receipt of revenue
- Accounts not paid within five days are notified by email
- Accounts not paid by the end of the month are called
- Accounts not paid by the 10th of the following month receive a letter by mail
- Accounts are penalized 10% of the amount due when they become delinquent
- Accounts that do not file returns are assessed a 5% to 25% penalty
- No accounts are delinquent at this time
- A policy for collecting delinquent accounts would be adopted if delinquencies become a problem

Ms. Baker noted that options for collecting delinquent accounts include garnishing wages, bank accounts, and levies against the entity; however, real property cannot be foreclosed against as with ad valorem tax.

Ms. Fox said the county is considering proposals to audit the accounts. The cost of the audit would probably not be recuperated. The last audit, in 2013, resulted in more refunds issued than revenue generated. One benefit of the audit would be discovery of non-reporting properties. The board may choose not to audit the accounts or precede the audit with an educational campaign.

Approve FY 18-19 TDA Office Lease

Mr. Breedlove outlined the lease renewal for the TDA office. There were no significant changes from last year, with the amount remaining \$6,000.00 per year.

MOTION: *Ann Self moved to approve the FY18-19 TDA Office Lease. Kathy Korb seconded. Motion carried.*

MOTION: *Megan Orr moved to allow the Chairman to sign subsequent leases, provided there are no significant changes to the lease. Bob Williams seconded. Motion carried.*

Directors' Reports

Jackson County Chamber: Julie Spiro provided the board with a written report prior to the meeting which included the following highlights:

- The Chamber has almost completed the space repurposing project at the Hooper House. An open house will be held sometime in May to showcase the improvements.
- The Chamber grants program has been restructured to help supplement TDA grants. The grant program has provided \$145,000 over 18 years.
- New businesses that have recently opened or will be opening soon include:

- The White Moon Café in the former Heinzelmännchen Brewery location opened this morning.
- A bakery plans to locate in the former Baxley's Chocolates location, which moved last month to an expanded location on Main Street.
- The Sylva Fresh Market will reopen soon under new management with extended hours and products.
- The Paper Mill Lounge is now opening at 10:00 am with coffee and light bites.
- Upcoming events include:
 - May 18th - The Tuck Trout Trot
 - May 19th - Hook, Line & Drinker Festival
 - April 7th - Brew Hop, tickets are available for \$25

Cashiers Area Chamber: Stephanie Edwards provided the board with a written report prior to the meeting which included the following highlights:

- The Chamber partnered with the TDA to host a Workforce Development Summit on March 1.
- Ms. Edwards thanked Ron Mau for his work on the TWSA Board to implement new guidelines for TWSA allocation transfers.
- The Cashiers Tour De Force will be rescheduled for September 15 under the direction of Peek Racing, and will include a 5K run.
- The Chamber building has been repainted and landscaping improvements are forthcoming.
- Six additional literature displays are now ready to place around the area.
- Upcoming events include:
 - April 14th – Cashiers Area Jobs Fair (Albert Carlton Cashiers Community Library)
 - April 16th – Jackson County Commission Public Brunch Bill Hearing (Library)
 - May 30th – CACOC Annual Legislative Update with County Manager Don Adams (Mountaintop)
 - June 14th – Kickoff Business After Hours hosted by TJ Baileys for Men + Women
 - June 28th – Business After Hours Showcase & Reception hosted by Whiteside Brewing Co.

Mr. Mau noted that additional information is available on his Ron Mau Commissioner District 3 Facebook page or on the TWSA website about HB 436 and the changes to System Improvement Fees. This legislation will have the greatest effect on restaurants. Public comment is being solicited on HB 436 through April 9th and would be appreciated.

Executive Director: Mr. Breedlove provided the board with a written report prior to the meeting which included the following highlights:

- The Visitor Guide will be in within the next two weeks, with 30,000 guides to be distributed in 180 locations between the Asheville airport and Cherokee.
- Mr. Breedlove attended the VisitNC365 State Tourism Conference, gaining significant savings on several advertising opportunities.
- Please plan on the May 16 meeting to extend up to three hours as Pineapple PR and Rawle Murdy present their marketing plans in depth.
- The WNC Fly Fishing Trail and the NC Trout Capital brands have been trademarked.
- The Jackson County TDA website has FAQ information available and will soon offer online Occupancy Tax payments.

- Our State Magazine has a two-page spread on two Main Street businesses this month and will have additional features in May, with the whole magazine dedicated to Jackson County in July.
- A workshop to review grant applications will be held at the Cashiers Chamber on April 4th.
- Mr. Breedlove and Ms. Spiro will meet with the Sylva Town Board tomorrow for approval of vinyl sidewalk decals to be applied in several locations. These are non-destructive and durable for three to four months.
- Mr. Breedlove requested board consensus to connect with ProStart and JCPS to incorporate training and workforce development at the high school level.
- The FY 18/19 budget draft will be reviewed next month for presentation in May and approval in June.

Announcements/Adjournment

- Bob Williams encouraged board members to be active in sharing TDA social media campaigns to extend marketing reach. Mr. Breedlove also encouraged members to send him additional campaign ideas.
- Rich Price noted that his office is partnering with both Chambers and the SCC Small Business Center for a business appreciation event on September 18th at the Jackson County Airport. He will also be meeting with officials from WCU and SCC to focus on workforce development in the hospitality, health care, and construction industries, as well as their associated trades, to explore partnerships to help retain some of quality talent being trained here.

Megan Orr moved to adjourn. The meeting was adjourned at 2:25 p.m.

Next Meeting: Wednesday, April 18, 2018, at 1:00 pm in the WCU Cordelia Camp Building, Room 143.

Laura Bowers, Secretary
Jackson County TDA Board

Approved: April 18, 2018